



# City of Hollywood

Hollywood City Hall  
2600 Hollywood Blvd  
Hollywood, FL 33020  
<http://www.hollywoodfl.org>

## Legislation Text

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**File #:** R-2023-227, **Version:** 1

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A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Execution And Delivery Of A Master Equipment Lease/Purchase Agreement With Bank Of America, National Association And Separate Equipment Schedules For The Acquisition, Financing And Leasing Of Certain Energy Services Equipment In An Aggregate Amount Not To Exceed \$2,600,000.00; Authorizing The Execution And Delivery Of An Escrow Agreement And Related Documents; Authorizing All Incidental Actions Necessary For The Consummation Of The Contemplated Transaction.

*Financial Management & Administration*

Staff Recommends: Approval of the attached Resolution.

### Explanation:

The City has been working with Noresco to develop a plan and install new, more energy efficient street lighting throughout the City. The City Commission has previously approved the work through Resolution No. R-2023-142 on May 17, 2023, which approved and authorized Construction Work Order No. 1.

The estimated cost for the services is \$4,570,000. The City has previously identified and allocated \$2,000,000 for the streetlight improvements from the American Rescue Plan Coronavirus State and Local Fiscal Recovery Funds received in FY 2022. The balance will be financed through the Master Equipment Lease/Purchase Agreement which was competitively bid by Noresco and won by Bank of America with an interest rate of 3.489% with a term of ten years. The guaranteed cost savings achieved from the project implementation will pay the annual debt service for this financing.

### Fiscal Impact:

The annual debt service is estimated to be approximately \$287,227.00 in year one growing to approximately \$335,381.00 in year ten, for an average annual debt service payment of approximately \$310,360.00 over the ten year term.

Recommended for inclusion on the agenda by:

David E. Keller, Director, Department of Financial Services

Adam Reichbach, Assistant City Manager for Finance and Administration